

State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Jon M. Huntsman, Jr. Governor Kevin S. Carter Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com CC: Lynn S1039/010 E1039/007

May 3, 2006

Danny Bown P.O. Box 27 695 East 600 South Manti, UT 84642

RE: 47272-BSLA

Dear Mr. Bown:

The above numbered lease was originally issued for a ten year term expiring April 30, 2006, and could only be extended by commercial production of the leased substances, or diligent operations reasonably designed to place the leased substances into commercial production. During the ten year term of the lease the criteria for extension were not met and the lease is expired. Lessee no longer has any rights relevant to the lease and any mining disturbances to the lands must immediately be reclaimed.

To the best of my knowledge a "test pit" for the building stone resources was dug upon the leased lands by the Lessee several years ago but has been reclaimed. All reclamation work performed is subject to final approval by the Division of Oil, Gas & Mining. If there are any other mining disturbances by Lessee to the leased lands then please notify me by return mail.

Sincerely,

John T. Blake

Trust Land Specialist

CC: Lynn Kunzler